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NIO/W Contribution to the Watch CommitteeIsrael-Lebanon

—If Israeli military and political pressures fail to force a capitulation and withdrawal of PLO and Syrian forces from West Beirut in the next week or so, the Begin government probably will authorize major attacks to eliminate the PLO leadership and interdict the Beirut-Damascus highway.

—Despite Arafat's apparent desire to forestall an Israeli assault by indicating readiness to negotiate a settlement of the Palestinian presence in Lebanon, it is doubtful that he could bring radical PLO factions into such an agreement.

—The Syrian government's decision to stand fast in West Beirut and along the Beirut-Damascus road suggests that President Assad is counting on US and Soviet intervention to impose a cease-fire in place.

—The Soviets are under growing Syrian pressure to take more assertive action on behalf of Syria and the PLO. If the Soviets believe the danger of Israeli ground and air attacks inside Syria has eased, they may announce acceptance of Syria's appeal to upgrade the 1980 cooperation and friendship treaty into a "strategic alliance." They also may endorse Syria's call for a joint US-Soviet peacekeeping force in Lebanon under UN auspices, assuming that Washington would reject this proposal.

Saudi Arabia

—The Saudis may soon announce the establishment of diplomatic relations with the Soviet Union to underscore their dissatisfaction with US policy and to protect themselves from Palestinian terrorism. King Fahd, on several occasions in the past few years, has publicly hinted that Saudi Arabia eventually would move toward formal relations with Moscow.

Argentina

—The Army's unilateral assumption of governing responsibility and the appointment of Gen. Bignone as president will provide only a temporary easing of the volatile political deadlock within the armed services. Challenges to the Army's initiative from junior generals, as well as from the Air Force and Navy, are highly probable.

Poland

—Moscow has publicly indicated opposition to a second papal visit this summer. The Soviet stand may encourage hardline Polish party leaders to assert themselves more boldly, and this would increase the chances of serious disarray in the Polish leadership and of an upsurge in anti-regime demonstrations.

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